

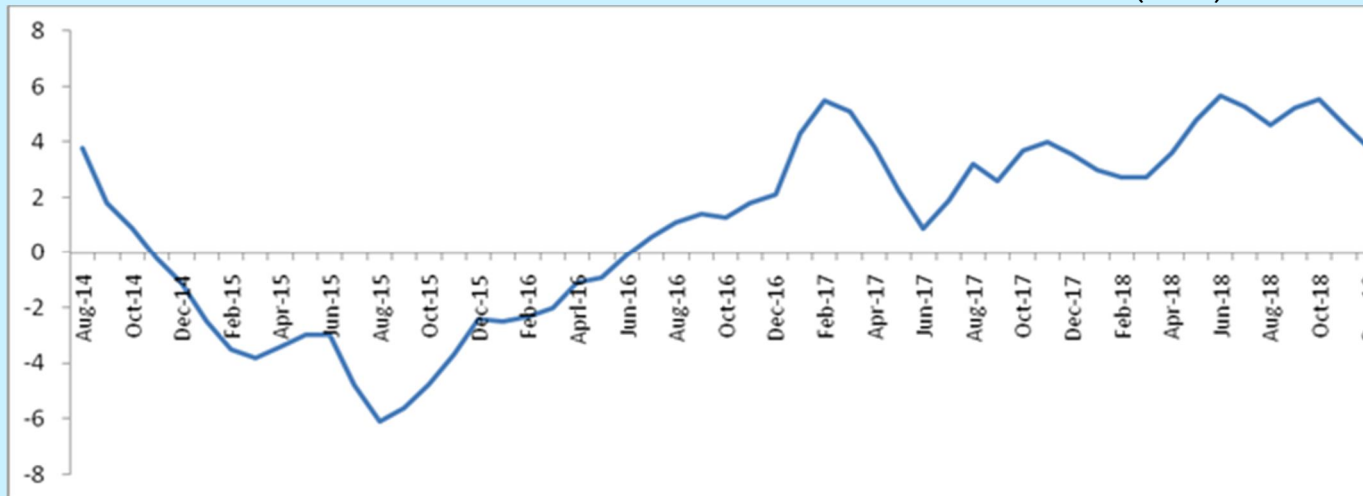
December 2018 WPI inflation falls to 3.8%

The WPI inflation falls to 3.8% in December 2018 as compared to 4.64% in November 2018, 5.54% in October 2018, 5.22% in September 2018, 4.62% in August 2018 and 5.27% in July 2018. The fall in WPI inflation in the month of December 2018 is attributed to fall in the prices of Potato (48.68%), Petrol (1.57%) and LPG (6.87%).

Due to fall in the prices of Potato, Petrol and LPG, WPI inflation stands at 3.8% in December 2018 as compared to 4.64% in November 2018. The official Wholesale Price Index for 'All Commodities' (Base: 2011-12=100) for the month of December, 2018 declined by 1.4% to 120.1 (provisional) from 121.8 (provisional) for the previous month.

Trend in WPI Inflation

(Y-O-Y) %



Source: PHD Research Bureau, compiled from the office of the Economic Advisor to the Govt. of India

WPI inflation in select commodities (Base year: 2011-12)

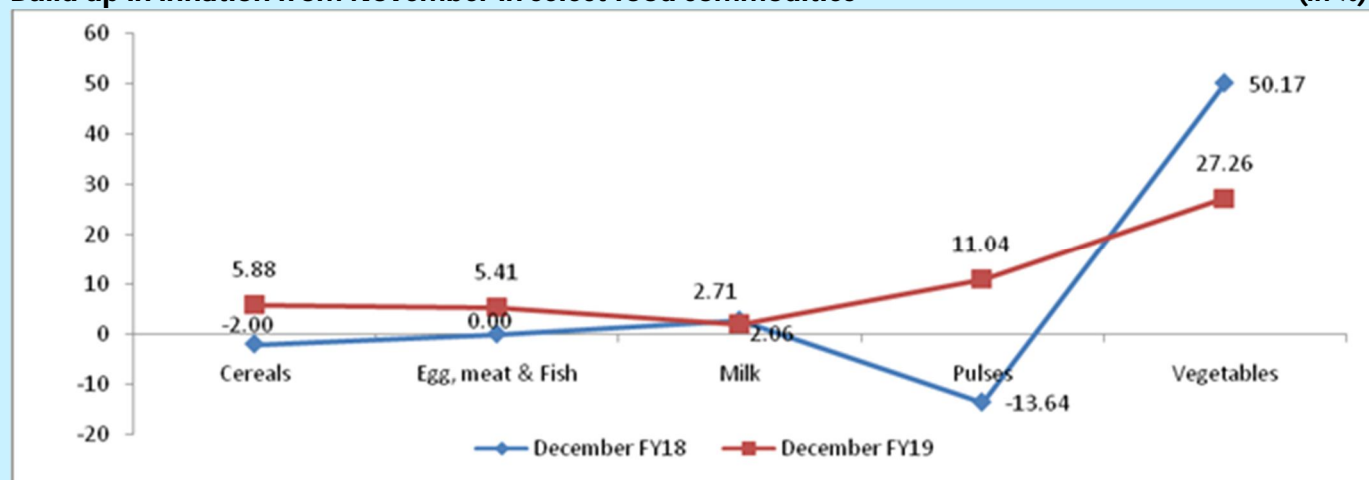
Commodity		WPI Inflation Y-o-Y % growth		
		Oct'18	Nov'18	Dec'18
1	All Commodities	5.54	4.64	3.80
2	Primary Articles	2.46	0.88	2.28
3	Food Articles	-1.42	-3.31	-0.07
4	Cereals	6.24	7.23	7.59
5	Vegetables	-18.35	-26.98	-17.55
6	Non-food Articles	4.14	6.40	4.45
7	Fuel & Power	18.66	16.28	8.38
8	Petrol	20.10	12.06	1.57
9	Manufactured Products	4.57	4.21	3.59
10	Sugar	-11.44	-11.40	-9.42

Source: PHD Research Bureau, compiled from the office of the Economic Advisor to the Govt. of India

Build up inflation rate in the financial year so far was 3.27% compared to a build up rate of 2.21% in the corresponding period of the previous year.

Build up in inflation from November in select food commodities

(in %)



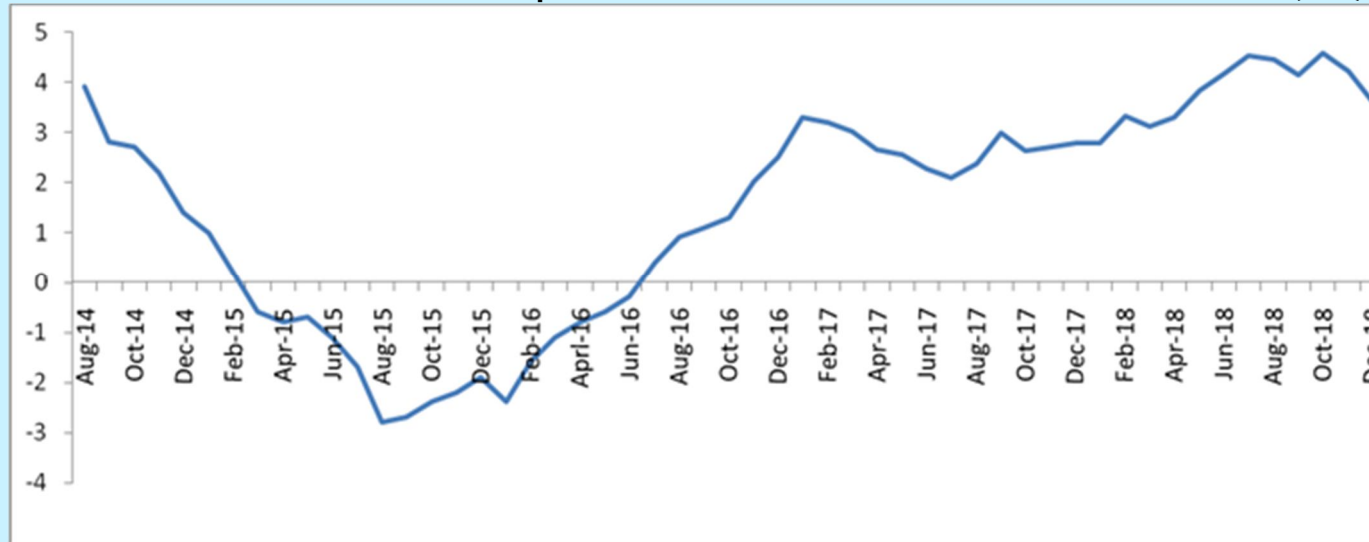
Source: PHD Research Bureau, compiled from the office of the Economic Advisor to the Govt. of India

Manufacturing inflation stands at 3.59% (weight 64.23 %)

The WPI inflation for manufactured products stands 3.59% for December 2018 as against 4.21% for November 2018. The index for this major group declined to 118.3 (provisional) in December 2018.

Trend in WPI inflation in manufactured products

(in %)



Source: PHD Research Bureau, compiled from the office of the Economic Advisor to the Govt. of India

Food inflation stands at (-)0.07% (Weight 15.26%)

The food articles inflation stands (-)0.07% in December 2018 as compared to (-)3.31% in November 2018. The index for 'Food Articles' group declined by 1.4 percent to 144.0 (provisional) from 146.1 (provisional) for the previous month due to lower price of fruits & vegetables (8%), peas/chawali (7%), condiments & spices (2%) and paddy (1%).

Fuel & power inflation stands at 8.38% (weight 13.15%)

The index for this major group declined by 5.9 percent to 103.5 (provisional) from 110.0 (provisional) for the previous month. The groups and items which showed variations during the month are as follows:-

The index for 'Mineral Oils' group declined by 10.2% to 94.7 (provisional) from 105.5 (provisional) for the previous month due to lower price of naphtha (21%), furnace oil (16%), LPG (13%), ATF (12%), petrol and

bitumen (9% each), HSD (8%), petroleum coke (7%) and kerosene (3%).

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